

IN THE SENATE OF THE UNITED STATES.

FEBRUARY 5, 1861.—Ordered to be printed.

Mr. GWIN made the following *adverse*

REPORT.

[To accompany joint resolution H. R. 48.]

The Committee on Post Offices and Post Roads, to whom was referred joint resolution H. R. No. 48, in relation to mail service on route No. 12730 A, Washington Territory, respectfully report:

That, having submitted the matter to the Postmaster General for his opinion regarding the propriety of extending the contract with the present contractor, upon the route in question, for weekly service to a semi-weekly mail service until the 30th June, 1862, at *pro rata* compensation, &c., the following letter was received from him, expressing his views upon the subject:

POST OFFICE DEPARTMENT,
February 1, 1861.

SIR: I have the honor to say, in answer to your inquiries of this date, accompanying the House resolution for the extension and enlargement of the steamboat contract for the route between Olympia and Whatcom, that the department perceives no necessity for such a proceeding, but, on the contrary, several strong objections.

1. The weekly contract now costs \$22,400 per annum, which sum would have to be doubled should the resolution pass. The yield of the offices supplied is but \$760.

2. Such a proceeding shuts out competition, and thus debars persons wishing to obtain the contract from opportunity to effect their object, as well as the department from reaping the advantages likely to arise from exposing the service to bids; the method, for wise purposes, indicated by the postal laws as the proper one.

3. The department already has an offer on its files to take the route at a reduced pay, should it be offered for proposals.

4. There have been frequent and loud complaints of deficiencies in the service under the present contract.

5. The department cannot hope to conduct its contract operations

on an economical basis if enormous expenditures of this description, for routes of only moderate importance, be forced upon it through Congressional legislation.

Very respectfully, your obedient servant,

HORATIO KING,
Acting Postmaster General.

Hon. W. M. GWIN,

*Chairman Committee on Post Offices and Post Roads,
United States Senate.*

For the reasons set forth by the Postmaster General in the above letter your committee deem it their duty to report the resolution back to the Senate, and recommend that it be not passed.